

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Norfolk Division**

REC SOFTWARE USA, INC.,

Plaintiff,

vs.

BAMBOO SOLUTIONS
CORPORATION; MICROSOFT
CORPORATION; SAP AMERICA, INC.;
AND SAP AG,

Defendants.

Civil Action No.: 2:10cv530-RAJ-TEM

Jury Trial Demanded

**PLAINTIFF REC SOFTWARE USA, INC.'S ANSWER AND REPLY TO
COUNTERCLAIMS OF DEFENDANTS SAP AMERICA, INC AND SAP AG**

Plaintiff REC Software USA, Inc. hereby answers and replies to the counterclaims of Defendants SAP America, Inc. and SAP AG (collectively, "SAP"). The paragraphs in this reply are numbered to correspond with the paragraph numbers in SAP's counterclaims. All of the allegations of SAP's counterclaims not specifically admitted herein are hereby denied.

Nature of the Counterclaims

1. Plaintiff admits that SAP's counterclaims allege counterclaims for declaratory judgments of non-infringement and invalidity of U.S. Patent No. 5,854,936 (the "'936 patent") asserted against SAP. Plaintiff denies any allegations of invalidity or non-infringement by SAP of the '936 patent.

Parties

2. Upon information and belief, Plaintiff admits the allegations contained in paragraph 2 of SAP's counterclaims.

3. Upon information and belief, Plaintiff admits the allegations contained in paragraph 3 of SAP's counterclaims.

4. Plaintiff admits the allegations contained in paragraph 4 of SAP's counterclaims.

Jurisdiction and Venue

5. Plaintiff admits the allegations contained in paragraph 5 of SAP's counterclaims.

6. Plaintiff admits the allegations contained in paragraph 6 of SAP's counterclaims.

7. Plaintiff admits the allegations contained in paragraph 7 of SAP's counterclaims.

8. Plaintiff admits the allegations contained in paragraph 8 of SAP's counterclaims.

COUNT I – DECLARATORY JUDGMENT OF NON-INFRINGEMENT

9. Plaintiff incorporates by reference its responses to the allegations of paragraphs 1 through 8 of SAP's counterclaims as if fully set forth herein.

10. Plaintiff admits that an actual and justiciable case or controversy exists between SAP and Plaintiff REC with respect to the non-infringement of the '936 patent by virtue of Plaintiff REC's allegations of infringement of that patent by SAP, which allegations SAP denies. Plaintiff denies the remainder of paragraph 10 of SAP's counterclaims.

11. Plaintiff denies the allegations contained in paragraph 11 of SAP's counterclaims.

COUNT II – DECLARATORY JUDGMENT OF INVALIDITY

12. Plaintiff incorporates by reference its responses to the allegations of paragraphs 1 through 11 of SAP's counterclaims as if fully set forth herein.

13. Plaintiff admits that an actual and justiciable case or controversy exists between SAP and Plaintiff REC concerning the validity of the '936 patent by virtue of Plaintiff REC's allegations of infringement by SAP and validity of that patent, which allegations SAP denies. Plaintiff denies the remainder of paragraph 13 of SAP's counterclaims.

14. Plaintiff denies the allegations contained in paragraph 14 of SAP's counterclaims.

DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff hereby demands a trial by jury on all issues triable by a jury as of right in this action.

PRAYER FOR RELIEF

Plaintiff denies that SAP is entitled to the relief it seeks or any relief for the allegations made in its counterclaims. Plaintiff requests that judgment be entered in its favor on all issues and that it be awarded the appropriate damages, exceptional damages, costs, and attorneys' fees.

Dated: February 2, 2011

Respectfully submitted,

REC SOFTWARE USA, INC.,

By Counsel

/s/ Nichole Buck Vanderslice

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ATTORNEYS FOR PLAINTIFF

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CERTIFICATE OF SERVICE

I hereby certify that on the 2nd day of February, 2011, the foregoing was electronically filed with the Clerk of the Court using the CM/ECF system, which will then send a notification of such filing (NEF) to the following:

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